

CITY OF MATTOON, ILLINOIS
SPECIAL MEETING CITY COUNCIL AGENDA
January 30, 2007
CITY HALL COUNCIL CHAMBERS

8:00 A.M. Business Meeting

Pledge of Allegiance

Roll Call

NEW BUSINESS:

Motion – Approve Council Decision Request 2007-710: Approving and authorizing the Mayor to act as the agent for the City of Mattoon and negotiate accept and sign any and all documents necessary to bind the City of Mattoon for the acquisition of power for use by the City of Mattoon for the period ending in May 2008, so long as the charges for the power are less than those charged by AmerenCIPS.

Adjourn

[PAGE DOWN FOR COUNCIL PACKET]

NEW BUSINESS:

City of Mattoon Council Decision Request

MEETING DATE: 1/30/07 CDR NO: 2007-710 SUBJECT:
Contract to Supply Electricity
to the City of Mattoon.

SUBMITTAL DATE: 1/25/07

SUBMITTED BY: J. Preston Owen, City Attorney & Treasurer

EXHIBITS (If applicable) Letter sent to power suppliers

EXPENDITURE	AMOUNT	CONTINGENCY FUNDING
ESTIMATE: \$ 0	BUDGETED: \$ 0	REQUIRED: N/A

IF IT IS THE WISH OF THE COUNCIL TO SUPPORT RECOMMENDATIONS CONTAINED IN THIS REPORT, THE FOLLOWING MOTION IS SUGGESTED:

“I move to approve and authorize the Mayor to act as the agent for the City of Mattoon and negotiate accept and sign any and all documents necessary to bind the City of Mattoon for the acquisition of power for use by the City of Mattoon for the period ending in May 2008, so long as the charges for the power are less than those charged by AmerenCIPS”

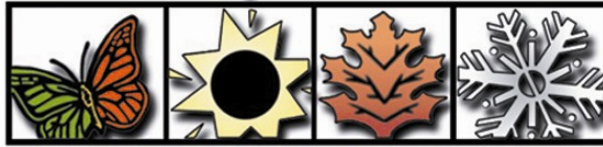
SUMMARY OF THE TOPIC FOR WHICH A COUNCIL DECISION IS REQUESTED:

The Cities of Mattoon and Charleston along with the Mattoon and Charleston School Districts and Coles County have formed a buying group to coordinate efforts to purchase power for use by the different organizations. We have had many meetings and have finally come to the point where we are ready to receive final proposals from the four companies wanting to supply us with power. The group is meeting on the morning of January 31st 2007 to review the proposals and decide which proposal will best serve the organizations involved. The City must be ready on the 31st to agree to a contract for the supply of power from the next billing cycle through May 2008. The contracts for power are priced each day and the prices presented on the 31st will only be good until 5:00 p.m. on the 31st.

We will report the outcome of the proposals and the selection of a supplies at the February 6th 2007 City Council Meeting.

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January 25, 2006

SENT VIA EMAIL ONLY

WPS Energy Services, Inc.
Mr. Robert Hedrich
RJHedrich@wpsenergy.com

Constellation NewEnergy, Inc
Mr. Jonathan Gniatczyk
jon.gniatczyk@constellation.com

MidAmerican Energy Company
Mr. John C. McFarland
jcmcfarland@midamerican.com

Strategic Energy, LLC.
Mr. Brian Davis
smartgov@sbcglobal.net

Re: Supplying electrical power for use by the cities of Mattoon and Charleston
Illinois.

Gentlemen:

As I am sure you are all aware, our power buying group has been meeting to review the proposals and contracts recently submitted by your organizations. We have come to the point where we are ready to receive final pricing and contracts on the supply of power to the different organizations.

We have compiled the following listing of items to be included in the contracts:



Mayor
Charles E. White
City Clerk
Susan J. O'Brien
City Attorney & Treasurer
J. Preston Owen

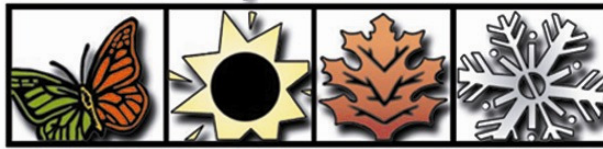
Mattoon City Hall
208 N. 19th Street
Mattoon, Illinois 61938
Mayor: 217-234-4633
City Clerk: 217-235-5654
Fax: 217-258-6435

Commissioners
David W. Cline
Joseph McKenzie
Randy Ervin
David R. Schilling



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1. All pricing should include any amounts for capacity, line losses, ancillaries and RTO or transmissions charges as well as the energy costs.
2. All prices should be net of any charges for distribution by AmerenCIPS. We assume the AmerenCIPS charges will be equal no matter which energy provider we choose.
3. The pricing should be locked for the entirety of the contract (until May 2008).
4. The contract should be fixed and no part of the pricing should be adjustable at any time during the contract period.
5. As we are governmental organizations and it is difficult for us to pay bills on short notice we require 30 days from the billing date to the due date.
6. All accounts should be included on one monthly billing statement with each account's usage and charges broken out individually. The bill should include all charges for AmerenCIPS distribution.
7. If the contract contains usage ranges (or collars), those ranges should be 20% above and below the last 12 months total usage for each organization.
8. There should be no per account fee or billing fees.
9. Each organization may contract for those accounts where the rates will be less than the AmerenCIPS auction rate. If it is a savings to keep some of the small accounts on the AmerenCIPS rates then the organizations reserve the right to contract for only the larger money saving accounts. If you will require us to sign up all of our accounts but the pricing will be less than AmerenCIPS for all accounts please include a note to that effect with your contract.
10. Each organization must be able to set the start date of the energy service. We anticipate most organizations will start immediately, but the Charleston school district may be delayed by withdrawal from their current supplier.



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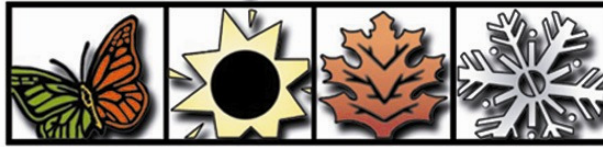
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11. There will be no automatic renewal clauses. Each organization should be allowed to sign new agreements (beginning after the end of the original agreement) or extend the existing agreement at any time by negotiation with the energy provider.
12. While we are asking for group pricing, due to the fact that we are different governmental organizations some organizations may choose not to contract with any power provider.

If your contracts contain any deviation from the above criteria, or if you would like to make alternative suggestions please do so in a separate letter to the group and attach it to your contract.

Along with this letter you will find an updated listing of all the account numbers for each organization. Please review these as they are the final listings with all current accounts and meters.

Our group is meeting on Wednesday January 31, 2007 at 11:00 a.m. All pricing and contracts need to be submitted to me by 10:00 a.m. on Wednesday January 31, 2007. We anticipate that the individual representatives will sign contracts for power at that time and set pricing through May 2008. Contracts and pricing need to be emailed to me at the address listed below with a copy sent to comptroller@co.coles.il.us. If you have the contract language ready any earlier than the 31st, we would appreciate that being sent as early as possible for our review.

If you have any questions please contact me at your convenience.

Mr. Preston Owen
City Attorney & Treasurer
City of Mattoon
208 North 19th Street
Mattoon, Illinois 61938
(217) 258-7932
Owenp@mattoonillinois.org

Thank you for your assistance in this matter.



Mayor
Charles E. White
City Clerk
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City Attorney & Treasurer
J. Preston Owen

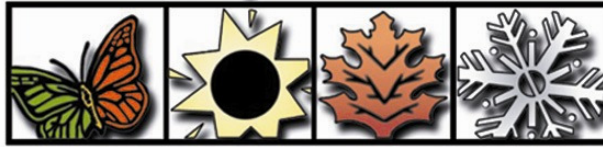
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Sincerely,

J. Preston Owen

cc: Mr. Charles E. White, Mattoon Mayor
Mr. John Inyart, Charleston Mayor
Mr. Scott Smith, Charleston City Manager
Mr. Alan Gilmore, Mattoon City Administrator
Mr. Tom Sherman, Assistant Superintendent, Mattoon Community Unity School Dist. #2
Dr. Gary C. Niehaus, Superintendent, Charleston Community Unit School Dist. #1
Mr. Doug McDermid, Executive Director, Coles County Regional Planning and Development



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